

22/s-59-4035

SECRET

SEP 1959

11-7724

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Retirement Board

1. This memorandum transmits a proposed Agency notice for signature by the Director of Central Intelligence.

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2. The Career Council has reviewed and approved a proposal that the Agency establish a retirement board. The reason for having such a board is that employees, as they approach retirement age, are confronted with the decision whether to retire or not. It is important that in making this decision they have the benefit of sound advice. Furthermore, from a manpower point of view, we believe that the Agency will be better off in the future if it becomes accepted practice for employees to retire when they can unless they are asked to remain in service.

3. We expect to operate in the following fashion. The Office of Personnel will draw up lists of names of persons who have reached or who are about to reach retirement age. The responsible senior officials will screen the list and will talk with those men and women whom they wish to keep. A representative of the Office of Personnel will counsel the individuals who are slated to retire. It will be explained to each individual that it is the practice in this Agency that one retires when eligible unless asked to remain. If the individual is not prepared to retire within the following eighteen months, he will be invited to discuss the subject with one of the board members. He will be assured that the board will review his case and that a decision concerning the length of time he is expected to remain in employment will be rendered.

4. It is our belief that by establishing the board the Agency will be able to deal with the problem of retirement in a dignified, equitable, and humane way. That there is much more to be done in this field is evidenced by the extent to which industry has

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developed programs designed to help people who face retirement make their plans in a purposeful way. Establishing the board is, then, but a first step.

5. The attached notice has been concurred in by Deputy Director (Intelligence), Deputy Director (Plans), Deputy Director (Support), and the General Counsel; also the Inspector General.

6. It is recommended that you sign the attached notice for issuance.

By Gordon M. Stewart

Gordon M. Stewart
Director of Personnel

Attachment

Distribution:

- 0 & 1 - ~~Adm~~ DO/S w/orig of att (cc withheld)
- 1 - DDCI w/cc of att
- 1 - ER w/cc of att
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OD/Pers/GMStewart:sm (16 Sept 59)

concur
15/CPC
20/CPC
22 Sept 59

SECRET

NOTICE

SECRET

PERSONNEL

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AGENCY RETIREMENT BOARD

1. In the interests of sound and equitable personnel management, an Agency Retirement Board is hereby established. It will be the responsibility of the Board to expand the retirement program within the Agency to include:

a. The counseling of all employees who have reached voluntary retirement age and those who are about to reach that age concerning their accrued benefits, privileges and obligations.

b. Discussion with the employee of his plans to retire.

c. The systematic review of the retirement plans of each such employee.

2. The Board will act on the *understanding* ~~principle~~ that it is the practice in this Agency that an employee will normally retire when he becomes eligible for retirement with full earned annuity unless he is asked to remain in service. In reaching decisions it will give full consideration to the personal plans, preferences and circumstances of each employee.

3. The following appointments to the Board are hereby made:

Lawrence E. Houston - Chairman

- Member

- Member

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SIGNED

ALLEN W. DULLES
Director

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23 Sept 59

MR. DULLES:

Reference the attached, you may be interested in the following information concerning age and service requirements for retirement.

MANDATORY RETIREMENT -- at age 70 with minimum service of 15 years.

OPTIONAL RETIREMENT:

<u>Age</u>	<u>Minimum Service</u>	<u>Annuity</u>
62	5 years*	Earned annuity
60	30 years	Full annuity
55	30 years	Annuity reduced 1% for each year of age under 60.
50 (If separated involuntarily)	20 years	Annuity reduced 1% per year of age between 55 and 60, and 2% per year between 50 and 55.
Any age (If separated involuntarily)	25 years	Same as involuntary separation at age 50 with 20 years service.

*(Free Federal Employees Government Life Insurance is not given unless employee has at least 15 years service.)

DISABILITY RETIREMENT -- at any age with minimum of 5 years service. Annuity is (1) earned annuity, OR (2) the annuity as projected to age 60, OR (3) 40% of the salary figure based on the highest 5-year average salary -- whichever amount is smaller.

JMC